SCIENCE & GOVERNMENT REPORT

21st Year of Publication

The Independent Bulletin of Science Policy

Volume XXI, No. 5 | P. O. Box 6226A, Washington, D. C. 20015 | © March 15, 1991

Stanford Stonewalls on Ripping Off Indirect Costs

Presenting himself as a statesman of science and higher learning besieged by pygmy auditors, Donald Kennedy, President of Stanford University, went to Capitol Hill last week to defend his university against charges of chiseling millions from the federal government. When the long day of hearings was done—10 a.m. to 5 p.m., without a lunch break—Kennedy and the Stanford contingent had earned a place in the major leagues of evasion, stonewalling, and cosmetic contrition for offenses they could not deny.

Prior to the hearing, Stanford had hurriedly withdrawn nearly $700,000 in far-fetched items that it had brazenly charged to the government for indirect costs on research. But it could face millions of dollars in recovery demands. Meanwhile, Stanford's behavior has brought other universities under federal scrutiny. And it has intensified suspicions, plentiful among grant-seeking scientists and government research administrators, that the indirect-cost system is being vigorously exploited because it's there as a source of money for strapped university administrations.

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Irate Congressmen at the Stanford hearing talked angrily of "fraud" and "dishonesty," and one Member who is a Stanford alumnus, Ron Wyden (D-Oregon), lamented "a sad day for one of the world's great universities." Wyden was particularly nettled by testimony concerning an item that Stanford had charged off as an indirect cost of "research": purchase of a $1200 early 19th-century Italian fruitwood commode for President Donald Kennedy's official residence. Chairman John Dingell (D-Mich.) said, "Stanford has made Secretary Weinberger look frugal with his $600 toilet seat"—a reference to a Pentagon procurement scandal in Reagan days.

Government witnesses presented a picture of fierce aggressiveness by Stanford in financial dealings with Washington along with remarkable indolence by the federal agencies responsible for auditing Stanford's books. In any case, mark the date of the Stanford hearing, March 13, as dark and damaging in the complex and delicate relationship between Congress and academe.

With an audit of Stanford's accounts for a decade back still in progress, the outcome isn't clear. But the Defense Contract Audit Agency has recommended a reduction in Stanford's indirect-cost rate, from 72 to 52 percent—which would work out to a $30 million drop in Stanford's take from Washington, which totaled $240 million last year. At the hearing, the estimates of overcharges since 1981 by Stanford ranged wildly, from $18 million in a recent year to a decade-long total of $300 million. The Office of Naval Research, which has primary responsibility for setting Stanford's indirect-cost rate, reported that it has assigned criminal investigators to the case.

The Stanford proceedings, before the Oversight and Investigations Subcommittee of the House Energy and Commerce Committee, arose from allegations last year that the university had heavily padded its indirect costs on federal research support. Pre-hearing revelations had included a trustees' wedding party for President Kennedy that had been billed in part to indirect costs of research.

Also charged to research was depreciation of a jacuzzi-

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In Brief

Like many others moving from private posts to the helm of federal research agencies, Bernadine Healy will lose a lot of income when she becomes Director of the National Institutes of Health—salary $108,300, plus up to $20,000 in "physician's comparability" pay. According to Healy's Public Financial Disclosure Report (required of Presidential appointees), she received $251,200 last year as Chairman of the Research Institute of the Cleveland Clinic Foundation. She also received $74,000 in corporate board and advisory fees, and $130,000 from the exercise of stock options with Medtronic, Inc. Healy's Senate confirmation hearing was scheduled for March 14—too late for coverage in this issue of SGR.

The White House Office of Science and Technology Policy (OSTP) has bounced back from its skeleton-crew status in the final years of the Reagan Administration and is near a level not seen since John F. Kennedy beefed it up in 1961. With about 40 now on board, the budget request for next year, $3.8 million, is tied to a level of 43 professional and support staff, OSTP Director D. Allan Bromley said in budget testimony March 6. Since only part of that is for salary, how come so many for so little? OSTP stretches its cash by "borrowing" staff from other agencies.

Two new federal entries on the biomedical scene: The VA has established a National Medical Ethics Center at the VA Medical Center, White River Junction, Vt., headed by William A. Nelson, Chief of Chaplain Service, and James L. Bernat, Chief of Neurology. NIH has established a National Center for Medical Rehabilitation Research, within the National Institute of Child Health and Human Development. NICHD Director Duane Alexander is serving as Acting Director of the Center.

. . . Trustees' Meeting at Tahoe Charged to Research

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equipped 72-foot sailboat donated to the university and used for recreation. And then there was the presidential residence and two other dwellings that were included in the research accounts, though one of the buildings continued to be charged off long after it had been sold by the university [SGR, March 1].

The hearing, chaired by the wrathful John Dingell, produced additional examples of the inventiveness of Stanford's financial managers. In 1986-87, $700,000 in administrative costs for a Stanford-owned shopping center were designated as an indirect cost of research. The same was done with $45,000 for a meeting of the Stanford Board of Trustees last year at a Lake Tahoe resort, with 126 persons in attendance.

The ground rules for indirect costs are cloudy and open to various interpretations. But they're derived from the basic principle that a research project on campus generates additional costs for administration, security, wear and tear on buildings, library usage, and so forth. To meet these costs, federal auditors calculate an indirect-cost rate for grantee institutions—for many years, 74 percent at Stanford (recently reduced to 72 percent), which yielded some $85 million last year as part of the $240 million it received in total federal R&D receipts.

With an overflow standing crowd in the hearing room, Dingell opened the proceedings with a statement designed to deflect whispered allegations that he's a rampaging anti-science barbarian. Stating that "this investigation is not an attack on science as charged by some in the scientific community," Dingell added, "This Committee has a long and unparalleled record of support for federal funding of research, but not for luxuries masquerading as overhead."

"It is important," he continued, "to understand that when a university mischarges or overcharges the government for indirect costs, that has the effect of diverting federal money directly from other high-priority research projects that could have been funded with that wasted money. In other words," Dingell said, "when yachts, wedding receptions, antique furniture, and flowers are improperly, or possibly illegally, charged to overhead on research, a number of deserving research projects are not funded."

Noting that the Stanford case had originated with the complaints of a Navy auditor, Paul Biddle, who had charged that a "cozy" relationship existed between the university and its Office of Naval Research monitors, Dingell proclaimed his affection for so-called whistle-blowers. The Committee, he said, has "a most vigorous interest in [Biddle's] well-being and prosperity."

Witnesses from the General Accounting Office (GAO), Congress's own investigative service, then reported on their inquiry into Stanford's affairs and the monitoring performance of the Office of Naval Research (ONR) and the Defense Contract Audit Agency. "Overall," said GAO's Milton J. Socolar, "we found serious deficiencies in Stanford's cost allocations and charging practices, combined with inadequate oversight by the Office of Naval Research." Stanford and the resident ONR team, he continued, had negotiated some 90 memorandums of understanding (MOUs) that provided Stanford with favorable exceptions to the rules of indirect costs. None of the MOUs had been reviewed by ONR or the Audit Agency, he said.

Next came a performance in the bureaucratic tradition known in Washington as CYA, for "cover your ass." Rear Admiral William C. Miller, the Chief of Naval Research, stressed that he had just come on board last December, and that he had ordered an investigation into the MOUs and the lack of audits by ONR and the Audit Agency. Asked by Dingell why his agency "was left on the sidelines," the Deputy Director of the Audit Agency, Fred J. Newton, replied, "We're wondering that ourselves." It was later testified that the Navy had not requested audits because the Audit Agency had assigned a low priority to auditing universities.

Representatives of the Navy and the Audit Agency reported lack of cooperation by Stanford in providing information. A request for records of the Stanford trustees' Lake Tahoe meeting was denied on the grounds that it was "proprietary" information, the Audit Agency said. Upon hearing this, Dingell grimly noted that "documentation" is required for payment of indirect costs.

At 3 p.m. came the *piece de resistance* of the day, President Donald Kennedy, accompanied to the witness table by James C. Gaither, President of the Stanford Trustees; William T. Keevan, an Arthur Andersen & Co. executive hired by Stanford to reorganize its accounting practices; Frank Riddle, Stanford Controller, and Janet Sweet, Assistant Controller.

A prepared statement by Kennedy took the high road, opening with the assurance that "I want to begin today by affirming Stanford's accountability for the stewardship of public monies, and my own commitment to be responsive to

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Independently published by Science & Government Report, Inc., twice monthly, except once each in January, July, August, and September. Annual subscriptions: Institutions, $325.00 (two years, $555.00). Bulk and individual rates upon request. Editorial offices at 3736 Kanawha St. NW, Washington, DC 20015. Tel. (202) 244-4135. For subscription service: PO Box 6226A, Washington, DC 20015. Tel. 1-800-522-1970; in Washington, DC 785-5054. Reproduction without permission is prohibited. SGR is available on University Microfilms International. Claims for missing back issues will be filled without charge if made within six weeks of publication date. ISSN 0048-9581.

. . . "I See It As Dishonest," Congressman Declares

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this Subcommittee's inquiry." Then it digressed to the achievements of research at Stanford, the complexities of indirect-cost computation, and the inadequacy of the payments for meeting full costs. "Indeed, as a public trust," said Kennedy, "it is our responsibility to the other stakeholders in our institution—students, donors, and significantly, the students and researchers who will come through our doors in the future—to collect the reimbursement to which we are entitled so as to keep the institution fiscally sound over time."

Like other witnesses, Kennedy skipped over major parts of his prepared text, including a section on his highly publicized wedding party. It was not a "wedding reception," the Kennedy text said, noting that he had paid for his own wedding reception. Rather, the festivity in question, nine days after the wedding, was "a welcoming reception for my wife to introduce her officially to the Stanford community. This expenditure," the unrecited text continued, "was evaluated as a perfectly appropriate university expenditure, but like the others above [the yacht and residences], was not specifically reviewed for its appropriateness as a government expenditure. I determined that, regardless of its legality, no portion of the cost of that reception should have been charged to the taxpayer, and I have directed that it be withdrawn."

Then the questioning began. Rep. Norman F. Lent (R-NY) brought up the cost of flowers for the Kennedy residence that had been charged as indirect costs on research. Kennedy said the charges had been withdrawn but insisted they were actually allowable because they were "prudent" expenditures. Kennedy's assessment was reflected in the text of his fellow witness, William T. Keevan, the accounting expert summoned to fix the Stanford system.

"The key test for reasonableness of costs such as linens and flowers in the President's house," Keevan's statement explained, "is whether those costs are prudent and necessary for the overall operation of the University, despite the fact that they have no direct relationship to research . . . We understand that Stanford's Board of Trustees has confirmed that these types of costs meet these criteria."

Kennedy was then questioned about indirect costs assigned to silverware included in a house donated to the university. The silverware was later transferred to his presidential residence and an evaluation on it was assigned to indirect costs for research. Asked why the silverware was divided up into small lots, of under $500 each, for appraisal, Kennedy said, "I'm not directly familiar with that body of regulations."

Dingell then lobbed the Congressional version of a Scud missile directly on an ill-prepared Stanford delegation. Noting Kennedy's insistence that indirect-cost income enabled the university to contribute to national well-being, Dingell said that in recent years, Stanford had accepted research grants from the Japanese government and the firm Matsushita on which the university had waived indirect-cost payments.

Startled, Kennedy replied that he was unaware of the grants and would look into the matter. But he added, "We do not give any government a break on indirect costs." He later amended that by stating that indirect costs are sometimes waived for grants in under-financed areas of research.

Dingell then said that Stanford had also waived indirect costs on grants from Exxon and Weight Watchers. Kennedy replied that there are "exceptions," but he would have to check further.

Frank Riddle, the Stanford Controller, was asked to explain why he had initially denied Stanford's ownership of the yacht when government investigators questioned indirect costs assigned to the vessel. He replied that he didn't know Stanford owned the yacht, adding that the university is a $1.2 billion operation with some three million transactions a year. Along with Kennedy, he insisted that Stanford was in the process of correcting its problems with indirect-cost accounting.

The Subcommittee members pressed Kennedy and company for evidence of any indirect-cost charges that Stanford had voluntarily withdrawn. Sweet, the Assistant Controller, offered as an example the withdrawal of indirect-cost claims for the shopping center owned by Stanford. Reminded by Dingell that she was under oath and that the federal auditors had said no repayment had been received on that account, Sweet replied that a notice had been faxed "about a week or a week and a half ago" to the appropriate federal agencies.

And so it went. At the end of the day, several members of the Committee expressed dismay and even contempt for Stanford's performance. "I don't think you get it," Rep. Gerry Sikorski (D-Minn.) said in response to Kennedy's insistence that concerns about Stanford's integrity were misguided. Rep. John Bryant (D-Texas) brought up the silverware transaction and said, "I see it as dishonest." Bryant accused Kennedy of "stonewalling this committee like a common politician."

Dingell asked whether Stanford's defense team of lawyers and public-relations counsel would be charged to indirect costs. Kennedy said no, adding, "I have a strong instinct for self-preservation."

Dingell concluded the proceedings by labeling Stanford's fiscal tactics a product of "incompetence, rascality or both." He added, "The record today does you and your university no credit."

The Chairman emphasized that he's not through with Stanford, but while the audits continue at Palo Alto, his staff is collecting material on other major academic recipients of federal research grants. High on the list for early attention is Harvard Medical School, where the indirect-cost rate, he noted, "is closing in on 100 percent."—DSG

NSF Chief Opens Campaign for Big Budget Boost

On March 5, his second day as Director of the National Science Foundation, Walter Massey made his debut before the Subcommittee that controls the Foundation's financial affairs in the House. The atmosphere was friendly, but the mood of the hearing was a bit tense and even grim as the Members picked over the budget and inquired about what cuts might be least damaging.

"You're one of the favorite agencies in the Subcommittee," Chairman Bob Traxler (D-Michigan) said at the outset. That's no doubt the case. But in the background of the proceedings was the President's request for a nearly 18 percent increase for NSF—the largest boost in the Subcommittee's jurisdiction—and competing demands for the pot of money that will be allocated to the Subcommittee. Among NSF's stablemates in the odd collection of agencies handled by the Subcommittee is the Department of Veterans Affairs, a Congressional favorite for post-Gulf largess.

Noting that the NSF budget is two-and-a-half times larger than it was 10 years ago, Traxler asked, "Are you going to get two-and-a-half times the scientific value?"

Massey responded, "Yes, we will get more than two-and-a-half times," adding that the budget was "balanced" to meet a variety of scientific needs. Traxler asked Massey and his entourage to suggest reductions. Massey replied, "I hope we can get it all. If not, I hope we can work with the Committee in ways that will keep the balance." Traxler replied, "You will be consulted."

The Chairman and his colleagues expressed a good deal of interest in NSF's request for a $23 million downpayment on the Laser Interferometer Gravitational Wave Observatory (LIGO), which the Subcommittee declined to fund last year. With the total cost now estimated at $211 million, Traxler reminded the NSF contingent of the limits that Congress voted last year on long-term budget growth. "The Subcommittee," he said, "has to look at '92 and project where we'll be in '93."

Science's conflicting dialog about the state of its health drew inquiries at the hearing. Traxler noted the recent dismal assessment by Leon Lederman, President of the American Association for the Advancement of Science [SGR, January 15] and the counter by D. Allan Bromley, the President's Science Adviser. Lederman says "science is sick," and Bromley says it's "the strongest," Traxler said, asking Massey and company to resolve the conflict.

The explanatory role was accepted by Mary Good, Chairman of the National Science Board, who sided with Bromley. "Science is not sick," she said, but "it has some ailments." Full funding of the NSF budget request, she suggested, would take care of them. Massey joined in, stating emphatically that science is "one area where we are number one. The concern is that we should not lose it."

Getting no response to his request for priorities, Chairman Traxler sympathetically remarked, "It's very hard to make choices among your children."

A superstructure of part-time boards and committees, with members drawn mainly from academe and industry, is standard equipment for federal research agencies. Many are mere window dressing behind which the full-time staffs control programs and budgets. A more potent system exists at the National Science Foundation. Its topmost policy body, heavy with senior university executives, is the 24-member National Science Board (NSB), which usually meets monthly for two-day sessions devoted to examination of NSF programs and policies. Though not omnipotent, the NSB is respectfully regarded by NSF staff as an entity to be consulted, considered, and pleased. Graced by the prestige of Presidential appointments for six-year terms, the Board is also a communications link and a political cushion for NSF in its dealings with the outside world. Following is the current membership, which is up to full strength except for the vacancy created by Walter Massey's resignation upon his confirmation March 4 as NSF Director, a post that carries ex officio membership on the Board.

Perry L. Adkisson, Chancellor-emeritus, Texas A&M

Warren J. Baker, President, California Polytechnic State University, San Luis Obispo

Arden L. Bement Jr., Vice President, Science and Technology, TRW Inc.

Frederick P. Brooks Jr., Professor of Computer Science, University of North Carolina

Bernard F. Burke, Professor of Astrophysics, MIT

W. Glenn Campbell, Counselor, Hoover Institution

F. Albert Cotton, Director, Laboratory for Molecular Structure and Bonding, Texas A&M

Thomas B. Day, President, San Diego State University

Daniel C. Drucker, Professor, Department of Aerospace Engineering, Mechanics and Engineering Science, Univ. of Florida

James J. Duderstadt, President, University of Michigan

Marye Anne Fox (nominee, pending Senate confirmation), Director, Center for Fast Kinetics Research, Dept. of Chemistry, University of Texas, Austin

Mary L. Good (NSB Chairman), Senior Vice President, Technology, Allied-Signal, Inc.

Phillip A. Griffiths, Provost, Duke University

John C. Hancock, retired Executive Vice President, United Telecommunications, Inc.

James B. Holderman (NSB Vice Chairman), Koger Properties, Inc. (former President, University of S. Carolina)

Charles S. Hosler, Senior Vice President for Research and Dean of Graduate School, Pennsylvania State University

Jaime Oaxaca, Vice Chairman, Coronado Communications Corp., Los Angeles.

James L. Powell, President, Reed College

Peter H. Raven, Director, Missouri Botanical Garden

Frank H. T. Rhodes, President, Cornell University

Roland W. Schmitt, President, Rensselaer Polytechnic

Benjamin S. Shen, Professor of Astronomy, University of Pennsylvania

Howard E. Simmons Jr., Vice President for Central Research and Development, Du Pont Co.

Anti-SSC Congressmen Prepare for Hearings in April

What may be the final goal-line stand against the Superconducting Super Collider (SSC) is in preparation for mid-April hearings by a House Subcommittee with ambitions for a major role in science-policy affairs.

The issue to be pounded is the effect that the rising costs of the SSC may have on other fields of science. That's a sensitive matter under budget rules that essentially restrict the growth of domestic discretionary spending to the rate of inflation. In 1987, Congress was told that SSC would cost $4.8 billion (translated to constant 1990 dollars). The latest official estimate from the Department of Energy is $8.2 billion—a figure that DOE prefers to the embarrassing $11.8 billion estimate prepared by its own Independent Cost Estimating staff.

While the costs have risen, DOE's firm assurances of substantial contributions from abroad have not materialized. In any case, the White House insists that the SSC can be accommodated without injury to research programs in DOE or elsewhere, though it is vague on how this feat will be accomplished.

For the coming House hearings, the search is under way for a scarce species—prestigious scientists willing to stand up in public and oppose the SSC, on grounds of finance and scientific priority. Meanwhile, DOE, which is seeking $534 million to start building the SSC in the coming fiscal year, has refused to permit Congressional investigators to meet privately with the head of the DOE staff that prepared the $11.8 billion SSC estimate.

The forum for the coming hearings is the Subcommittee on Investigations and Oversight of the Science, Space, and Technology Committee. Newly seated in the Chairmanship of the Subcommittee is Howard Wolpe, a Michigan Democrat who gave up the Africa Subcommittee Chairmanship on Foreign Affairs to take the Science post. Wolpe's move would normally be regarded as a step down in the House pecking order. But SGR has been told that the Chairman of the full Committee, George Brown (D-Calif.), also new in his post, recruited Wolpe for the Investigations and Oversight job with assurances of a free hand. Wolpe has long been a skeptic of DOE's soothing, but always rising, cost estimates for the SSC, and is author of an amendment that directs the General Accounting Office to keep a close watch on SSC spending and cost estimates.

One of Wolpe's comrades in arms against the SSC is the senior Republican on the Subcommittee, Sherwin Boehlert, of New York, who often has publicly expressed seething skepticism at the tactics employed by DOE and the SSC lobby in selling the project to the Congress. Republican Boehlert's views ordinarily wouldn't count for much in a chamber dominated by Democrats, but he and Wolpe are in harmony on this one.

The signatures of the two Congressmen are affixed to a letter, dated March 8, to DOE Secretary Watkins, protesting DOE's refusal to permit Subcommittee staff members to meet privately with Robert Scarlett, head of DOE's Independent Cost Estimating staff (ICE). In response to a request for a meeting with Scarlett, the Subcommittee was told that Scarlett would comply only if he could be accompanied by a DOE Congressional relations official.

The Wolpe-Boehlert letter states, "We reject any terms by the Department to set the terms under which this Subcommittee will fulfill its oversight responsibilities. . . . The reason for our insistence on an interview without Department officials, who have an inherent conflict of interest, should be self-evident in this case. The Department commissioned three independent cost estimates for the SSC. One of these was prepared by the Department's ICE staff. It is incumbent upon this Subcommittee to learn the basis for the ICE staff's estimate in the same spirit in which it was commissioned—that is, independent of outside influence or pressure." The letter requested that Scarlett be available for an interview no later than March 20.

DOE's preference for shielding senior SSC officials from unfriendly Congressional questioners was manifested again on March 12, when, at the last minute, a meeting with Subcommittee staff members was cancelled by a phone call from DOE.

The chances of stopping the SSC are difficult to estimate at this point. The expenditures so far amount to only a couple of hundred million dollars—not enough to invoke the standard argument in over-run episodes that too much has been spent to turn back now. The project has survived previous challenges in Congress. The Bush Administration presents itself as firmly committed—and that would seem to be the case, given the 120 percent increase sought for next year.

However, some Congressional opponents of the SSC say they detect waverings in high places. D. Allan Bromley, the President's Science Adviser, dutifully recites the proper words of support for the SSC. But he openly acknowledges that the rising costs are troublesome. In recent testimony to the Science, Space, and Technology Committee, Bromley said of the SSC, "I can't tell you what the actual cost will be. I don't think anyone can"—which is a departure from DOE's insistence that $8.2 billion is a firm figure. And he seemed to be suggesting that he's fed up with the SSC problem when he was asked how much would be too much for the big machine. That's for Congress to decide, Bromley responded [SGR, March 1]. In private conversations on Capitol Hill, Bromley is said to have indicated doubts considerably beyond his public expressions.

SSC planners have adopted the Pentagon's surefire technique of spreading and promising contracts around the country to build a broad base of political support. There's an Industry Association for the Superconducting Super Collider (1050 Thomas Jefferson St. NW, 7th Floor, Washing-

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New Head of FDA Pledges Rigorous Enforcement

The Reagan White House successfully directed much of its anti-regulatory fervor at the Food and Drug Administration, crimping its authority and battering its staff to the point where FDA became a bureaucratic cripple. FDA's plight worsened when scandals involving fraudulent data for generic drugs rocked the agency. For anti-government zealots, the trashing of FDA was an ideological triumph, but at the price of weaker safeguards against faulty drugs, misleading advertising, and contaminated foods.

Now, with the blessings of the President and Congress, a recuperative process is under way to restore authority and vigor to the FDA, the federal agency that has more to do with the nation's well-being than any other on the crowded bureaucratic landscape.

Though the Bush Administration has been generally torpid in domestic matters, it has installed an unusually dynamic figure at the helm of the FDA, David Kessler, a 40-year-old pediatrician who is also a lawyer. Kessler, who comes to the FDA from the chairmanship of the Department of Medicine at the Albert Einstein Medical School, was once a member of the staff of Senator Orrin Hatch, the Utah Republican with impeccable conservative credentials. Hatch pushed for his nomination, to fill a post vacant for over a year. When the nomination finally emerged from the White House late last year, Hatch helped speed it through the confirmation process in the final days of the last Congress.

The new Commissioner of Food and Drugs is surrounded by admirers and well wishers across a broad political spectrum. Thus, there's a risk of excessive expectations and tolerance for shortcomings. But what a change. In contrast to the timidity that was forced on FDA during the Reagan years, Kessler talks tough about assuring the accuracy of clinical claims and honesty in drug advertising, as well as the protection of the nation's food supply.

On March 6, he returned to Capitol Hill for the first time since his confirmation hearing last year, and in clear terms spelled out his formula for the resurrection of FDA. Heretofore, drug companies were taken at their word when they reported on the safety and efficacy of new drugs. Most reports were trustworthy, but enough were fraudulent or sufficiently inaccurate to warrant change. "Mr. Chairman," Kessler said, in addressing Senator Edward Kennedy, "the honor system at FDA is being replaced by a systematic pre-approval inspection program."

Referring to the episodes of fraudulent data on generic drugs, Kessler said they occurred "because people perceived the agency as not being strong in enforcement and surveillance." To counter that impression, he announced, FDA was expanding its staff of criminal investigators. Drug advertising will also be subjected to closer surveillance. Referring to a surge in prescription-drug advertising directed at patients, Kessler noted that "Consumers are being misled by new public relations initiatives. Unless we act swiftly to stop the escalation of these activities, they will almost certainly result in the kind of chaos that we saw recently with health claims on the food label."

Kessler said that the Food, Drug, and Cosmetic Act was "written at a time when no one could anticipate the types of promotional activities we are now seeing. We need to look hard, collectively," he added, "to see whether the Agency requires new authority, and we have already begun this process internally."

While assuring the validity of claims for new drugs, Kessler said, FDA must eliminate delays for getting useful new products to market—an issue that has been highlighted by protests over delays in releasing drugs for AIDS patients. "We need to expand access to and give special priority for therapies to treat life-threatening diseases," he said.

The energy and openness that the new FDA Commissioner has brought to his job is illustrated by his willingness to listen to FDA's most persistent and knowledgeable critic, Sidney Wolfe, head of Ralph Nader's Health Research Group. Through publicity and court suits, Wolfe has repeatedly attacked FDA for letting hazardous drugs on the market. For many years prior to the new Commissioner's appointment, Wolfe was regarded as Enemy No. 1 at FDA. Now there's a change. At Kessler's initiative, he and Wolfe meet once a month for a couple of hours of private discussions on matters of professional mutual interest.

Among bureaucracy watchers in Washington, Kessler's performance arouses two questions: Can he succeed? Can he last?

Supercollider

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ton, DC 20007; tel. 202/625-0496), with membership that includes major high-tech firms and construction companies eager for SSC contracts. At a meeting of the Association in Washington on February 5, a major theme was that 1991 is a critical year for the SSC—and let your Congressman and Senators know it.

Opponents of the SSC say that the Congressional support is not wholehearted, and that the decision to build it in Texas has dimmed the interest of Members from states that hoped to provide the site. Congress is usually responsive to exhortations to maintain American scientific supremacy—a theme that's been exploited in behalf of the SSC. But the opponents are contending that the costs of the SSC will impair the nation's scientific strength.

What's certain is that the SSC has come a long way on snake-oil and shifting promises. The Wolpe-Boehlert hearings will reveal the tawdry record. But Congress is accustomed to living with such things. If it wavers, then comes the question of the extent to which George Bush will champion the cause. If he makes a major issue of the SSC, it is not likely that Congress will cut off the money.—DSG

More In Print: Manufacturing, Astronomy, Math . . .

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expresses serious doubts about the potential for expanding private investment in big launchers, remote sensing, and materials processing in space. In a testimonial to the peculiarities of high-tech capitalism, the report states that "Encouraging private investments in these markets would require direct federal spending." Materials processing in space, it notes, has been presented as major justification for the space station, but investors aren't risking substantial sums, the report states, noting that "Private investment in the materials-processing experiments is extremely small, both in relation to public spending and to the amounts spent by would-be industrial beneficiaries in other research areas."

Order from: Congressional Budget Office, Publications, 2d and D Sts. SW, Washington, DC 20515; tel. 202/226-2809.

The Health Sciences Program of the RAND Corporation (CP-121; 103 pp., no charge), summaries of the approximately 80 studies in health policy and economics under way at RAND, under contract to the US Department of Health and Human Services, state health agencies, and several foreign governments. RAND says the health studies are conducted by a staff of 70 researchers with an annual budget of $8 million. Among the main topics are "Quality and Appropriateness of Care," "Testing and Disseminating Technology," "Patient Behavior," "Medical Malpractice," and "Care of the Elderly." Included is a list of reports published by the RAND Health Sciences Program.

Order from: RAND, Publications Department, 1700 Main St.., Santa Monica, Calif. 90407-2138; tel. 213/393-6686.

The Internationalization of US Manufacturing (65 pp., $15 in US, Canada, and Mexico; $18 overseas), by a specially created group at the National Academy of Sciences, the Committee for the Study of the Causes and Consequences of the Internationalization of US Manufacturing, a 21-member body chaired by Paul J. Kehoe, retired Vice Chairman, Kellogg Co. The observations and conclusions follow many recent analyses of the woes of American industry: markets and technology have become international, but "Too many domestic manufacturers continue to base their strategies on the US market, US competitors, and US technology." The study was supported by NSF, the Academy, and an alarming newcomer to such deliberations, the Federal Emergency Management Agency, the government's disaster-relief agency.

Also from the Academy: ***The Decade of Discovery in Astronomy and Astrophysics*** (170 pp., $24.95), by another specially created group, the Astronomy and Astrophysics Survey Committee, chaired by John Bahcall, Institute for Advanced Study, Princeton. The emphasis in this study, nearly two years in the works, is on "priorities," in the lead as the catchword of science politics for the '90s. The report, self-congratulatory for not asking for everything, nonetheless asks for a great deal for big and little astronomy, ground- and earth-based, and renovation of crumbling facilities. Also recommended is a separately funded program for theoretical astrophysics within NSF; at NASA, the report suggests, theoretical astrophysics "should grow in approximate proportion to the support for the analysis and interpretation of observational data."

There are recommendations, too, for "enhancing astronomy's role in precollege science education" and for establishing a "national Astronomy Fellowship program to select promising high school students for summer internships at major observatories." The study was financed by NSF, NASA, DOE, US Naval Research Laboratory, and the Smithsonian Institution.

Order from: National Academy Press, 2101 Constitution Ave. NW, Washington, DC 20418; tel. 1-800-624-6242; in Washington, DC: 334-3313.

Developments in School Mathematics Education Around the World: Volume II (475 pp., $20), proceedings of the 1988 Second International Conference on Mathematics Education, sponsored by the University of Chicago School Mathematics Project, self-described as "the largest and most comprehensive curriculum development and implementation project in the United States." The volume contains papers on school math programs in Japan, Hungary, Poland, Britain, and several other countries, plus reports on the Chicago project. Also available is Volume I ($20), which contains proceedings of a conference held by the Chicago math project in 1985. A third conference is scheduled for October 30-November 1.

Order from: National Council of Teachers of Mathematics, 1906 Association Dr., Reston, Va. 22091; tel. 703/620-9840.

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In Print: Public Understanding, Carnegie Studies . . .

The publications listed are obtainable as indicated—not from SGR.

The Public Understanding of Science & Technology in the United States, 1990 (141 pp., no charge), report to the National Science Foundation by the Public Opinion Laboratory, Northern Illinois University, another production that says the public is dense about science (only 41 percent in a survey knew that electrons are smaller than atoms). Tied to this and similar findings is a dubious warning, that "the preservation of democratic governments in the 21st century may depend on the expansion of the public understanding of science and technology." Evidence for this proposition is not presented, but apparently it is appealing to the NSF managers who have bankrolled five science-and-the-public surveys since 1979.

Among the few cheery findings over the years is that "there is no evidence for the perennial worry of many scientists and engineers that the public is turning against science and technology. Approximately 85 percent of American adults continue to believe that science and technology are making their lives 'healthier, easier, and more comfortable.'" The survey data are presented in 52 tables, accompanied by commentaries. The report does not address real problems of public understanding that can affect democracy, such as ignorance of the Constitution. Quick, what rights are protected by the Sixth Amendment?

Order from: Public Opinion Laboratory, Northern Illinois University, DeKalb, Illinois 60115-2854; tel. 815/753-0952.

Carnegie Commission on Science, Technology, and Government: A Midpoint Report (61 pp., no charge, supply limited), from a group that remains a puzzlement in Washington's working science-policy circles. Backed by the ample treasury of the Carnegie Corporation of New York, the Commission got under way in 1988, with a sendoff from Carnegie Corporation President David A. Hamburg, who said, "The main purpose of the Commission is to seek ways in which the branches of government can encourage and use the contributions of the national scientific community." On the Commission is a cast of over-committed luminaries, including Jimmy Carter, Stanford President Donald Kennedy, NYU President John Brademas, and the ubiquitous Admiral Bobby Inman.

Drawing upon the swelling ranks of senior and retired science-policy specialists for task forces, workshops, and papers, etc., the Commission has produced reports on White House and Congressional science advice [SGR, February 15], defense technology, environment, R&D budget planning, etc. Assessing the output, a senior staff member at the National Academy of Sciences recently told SGR, "These guys read like they just woke up from a 20-year sleep." However, public criticism is rare. With hard times on the consulting circuit, critics are chary of goring the Carnegie bankroll. The report at hand reveals creation of a Carnegie Commission Task Force on K-12 Science and Mathematics Education, one of the most raked-over topics on the domestic scene. In the policy-report industry, however, there's always room for one more report.

Order from: Carnegie Commission on Science, Technology, and Government, 10 Waverly Place, NewYork, NY 10003; tel. 212/998-2150.

Renewable Energy: A New National Commitment (Order Code IB90110; 16 pp., no charge), from the Science Policy Research Division of the Congressional Research Service, an update on federal R&D funds for solar, geothermal, and other renewable energy sources. The report, by Fred J. Sissine, says that R&D in this area was nearly obliterated by low energy prices and the Reagan Administration's energy free-marketeers, dropping (in constant 1982 dollars) from $857 million in fiscal 1979 to $84 million in 1990. Revived energy concerns have produced a turnabout—raising the renewables budget to $160 million (current dollars) in the present fiscal year—"the first real increase in 10 years."

Noting a Gulf-induced $17 million increase for bio-fuels research, the report says "the long decline in federal support for renewable energy has ended and that a new commitment to its near-term and long-term potential may be emerging." Included in the report is a list of legislation concerning renewable energy and detailed tables on federal energy R&D funding from 1974-91.

A related report from the Congressional Research Service, by the same author: ***Energy Conservation: Technical Efficiency and Program Effectiveness*** (Order Code IB85130; 17 pp., no charge), an updated review of federal programs and spending aimed at reducing energy consumption. Here, too, a recent turnaround has followed the big drop in the '80s.

Also from CRS: ***Research and Development Funding: FY 1992*** (Order Code IB91033; 14 pp., no charge), a short and clear agency-by-agency distillation of the Administration's R&D budget for the fiscal year that begins next October 1, with annual comparative figures starting with FY 1989. The report, by a group headed by Michael E. Davey, notes budget trends and major new projects.

Order from: Science Policy Research Division, Congressional Research Service, Library of Congress, Madison Building, Washington, DC 20540; attn. Ms. Raap; tel. 202/707-7014.

Encouraging Private Investment in Space Activities (109 pp., no charge), by the Congressional Budget Office,

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